



Sitelab

On demand training and support

How choosing an SaaS (Software as a Service) method can reduce headaches and costs associated with small to medium enterprise (SME) training and support.

SaaS Benefits:

- Reduced Cost
- No annual Maintenance Charges
- Reduces internal cost of upgrades and support
- Greatly simplified procurement process
- Reduced IT infrastructure

On demand, pay-as-you-go, software has established itself firmly in the marketplace. Often referred to as SaaS (Software as a Service), this method is especially effective for non-critical business applications, like training and support, in small to medium enterprises (SMEs).

The creation of Sitelab as an online extension of the RESITE Performance Suite was in response to this trend. By understanding the needs of the growing SME market, we allow for the creation of a stronger and more diverse business ecosystem. Insite is not alone in this trend:

New pay-by-the-month programme launched by SAP "merely spreading out the cost through special 3-5 year finance agreement."

**Gary Fromer, Senior VP
SAP**



The aggregate \$300 billion SMB marketplace is the largest and fastest growing segment of the IT industry. Despite limited resources, these companies are spending proportionately more than large enterprises on technology that enables On Demand business.

IBM



"The on-demand world will change the way customers buy, vendors sell, and investors invest."

**Jason Maynard, Software Analyst
Merrill Lynch**



"... the traditional enterprise-software model is dying ... the reason is simple - it doesn't work for customers and, as it turns out, it doesn't work for vendors either."

**Christopher Lochhead,
Chief Marketing Officer
Mercury Interactive**

MERCURY

"Rental applications will eat into the client-server software empires of the likes of Oracle, SAP, and the rest ... one sure way to miss out, is denying it's going to happen."

Larry Ellison, CEO

Oracle

ORACLE

Silicon Valley and the entire tech industry are betting on what they see as the next wave: selling information technology to businesses the way a utility sell telephone services or water.

SFGate.com



Giving SMEs What They Need

The key components in allowing the SME market to harness the power of Sitelab (but at a level in which cost and manpower could be managed), was to develop a hosted system that could be flexible in price. Insite considered two points: Lifecycle and Cost

Lifecycle Impact of SaaS Applications

The key benefit of purchasing an SaaS is that it simplifies or eliminates several of the steps required to implement licensed software. As our model for Sitelab indicates, SMEs can function at major corporation levels without taxing IT reserves.

Traditional	SaaS Model
Select a product Can we try before we buy? Budgets Cost Justification References	Select a product Try without installation issues Budgets Cost Justification References
Verify Server Operating System	
Requirements	
Verify Server Hardware Minimums	
Purchase of Reserve Server	
Verify IT can install and support	
Verify Desktop Operating System Requirements	Verify Desktop Operating System Requirements
Verify Desktop MS Office Minimums	Verify Desktop MS Office Minimums
Verify IT can install using delivered installation technology	Verify IT can install using delivered installation technology
Source Administrator	
Schedule Installation IT Authors Core Team End Users	Schedule Installation Authors End Users
Negotiate License Agreement through Purchasing Department	Negotiate License Agreement through Purchasing Department
Negotiate State of Work (Training) through Purchasing Department	
Verify User License Counts	
Schedule Product Training IT Authors Core Team	Schedule Product Training Authors

A key design point for Sitelab is to reduce IT burdens across the board in both time and cost.

For more information:
www.insiteobjects.com

Cost Impact of SaaS Applications

SaaS products reduce both capital and expense burdens for virtually any company. Justification is guaranteed, because you only pay for what you use. As our model for Sitelab indicates, an SME can save close to 50% in choosing SaaS over traditional method.*

Small Company

Traditional		SaaS	
Software Cost	\$33,000	Storage Used (1 year total)	\$19,450
Maintenance Cost (1 year)	\$6,000	Access Cost (1 year)	\$4,800
Server	\$2,800	Server	\$0
Internal IT Costs (estimated) Backups Upgrade Installation	\$9,000	Internal IT Costs (1 year estimates)	\$1,200
TOTAL	\$50,800	TOTAL	\$25,450

Medium Company

Traditional		SaaS	
Software Cost	\$65,120	Storage Used (1 year total)	\$21,050
Maintenance Cost (1 year)	\$11,800	Access Cost (1 year)	\$18,600
Server	\$3,400	Server	\$0
Internal IT Costs (estimated) Backups Upgrade Installation	\$14,600	Internal IT Costs (1 year estimates)	\$1,400
TOTAL	\$94,920	TOTAL	\$41,050

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The SaaS model works for the software vendor as well. Over 75% of support costs (manpower, IT resources, billing, finance, shipping and travel) are directly related to installation of upgrades, helping customers who have modified their server OS, and fixing issues caused by internal network modifications or other non-program-bug related cases.

Development costs are also reduced because the vendor controls the server environment where the products will be installed and maintained.

Conclusion

The SaaS model is a win-win situation for SME and application companies alike, and will only get bigger and better over time. With rapid technological advancements, Sitelab's model will continue to evolve to bring power to companies and individuals in the world of training and support for years to come.

*Traditional price model based off 2 year compilation of Insite SME customer data.